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| 2848 | <p>Download Form 2848</p> <p>Download Form 2848 Instructions</p> <p>Download Publication 4245 'A guide to preparing Form 2848, Power of Attorney and Declaration of Representative'</p> <ul style="list-style-type: none">• A completed Form 2848, Power of Attorney and Declaration of Representative, must be attached with your application if you would like us to communicate with your representative.• Purpose of Form 2848• Form 2848 is used to authorize an individual to represent you before the IRS. The individual you authorize must be a person eligible to practice before the IRS. The eligible individuals are listed in Part II, Declaration of Representative, items a-h. You may authorize a student who works in a Qualified Low Income Taxpayer Clinic (QLITC) or Student Tax Clinic Program (STCP) to represent you under a special order issued by the Office of Professional Responsibility. Your authorization of a qualifying representative will also allow that individual to receive and inspect your confidential tax information.• Depending on the situation, you may want to file Form 8821, Tax Information Authorization, instead of Form 2848 if you want to authorize an individual or organization to receive or inspect your confidential tax return information, but do not want to authorize the individual or organization to represent you before the IRS. |

501(c)

Organization Reference Chart

- This chart enables you to locate at a glance the section of the Code under which your organization might qualify for exemption. It also shows the required application form and, if your organization meets the exemption requirements, the annual return to be filed (if any), and whether or not a contribution to your organization will be deductible by a donor. It also describes each type of qualifying organization and the general nature of its activities.
- You may use this chart to determine the Code section that you think applies to your organization. Any correspondence with the IRS (in requesting forms or otherwise) will be expedited if you indicate in your correspondence the appropriate Code section.

| Section of 1986 Code | Description of organization | General nature of activities | Application Form No. | Annual return required to be filed | Contributions allowable |
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| 501(c) (1) | Corporations Organized under Act of Congress (including Federal Credit Unions) | Instrumentalities of the United States | No Form | None | Yes, if made for exclusively public purposes |
| 501(c) (2) | Title Holding Corporation For Exempt Organization | Holding title to property of an exempt organization | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c) (3) | Religious, Educational, Charitable, Scientific, Literary, Testing for Public Safety, to Foster National or International Amateur Sports Competition, or Prevention of Cruelty to Children or Animals Organizations | Activities of nature implied by description of class of organization | 1023 | 990 ¹ or 990EZ ⁸ , or 990-PF | Yes, generally |
| 501(c) (4) | Civic Leagues, Social Welfare Organizations, and Local Associations of Employees | Promotion of community welfare; charitable, educational or recreational | 1024 | 990 ¹ or 990EZ ⁸ | No, generally ^{2, 3} |
| 501(c) (5) | Labor, Agricultural, and Horticultural Organizations | Educational or instructive, the purpose being to improve conditions of work, and to improve products of efficiency | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c) (6) | Business Leagues, Chambers of Commerce, Real Estate Boards, Etc. | Improvement of business conditions of one or more lines of business | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c) (7) | Social and Recreational Clubs | Pleasure, recreation, social activities | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c) | Fraternal Beneficiary Societies and | Lodge providing for payment of life, sickness, accident or | 1024 | 990 ¹ or | Yes, if for certain Sec. 501 |

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| (8) | Associations | other benefits to members | | 990EZ ⁸ | (c)(3) purposes |
| 501(c)(9) | Voluntary Employees Beneficiary Associations | Providing for payment of life, sickness, accident, or other benefits to members | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(10) | Domestic Fraternal Societies and Associations | Lodge devoting its net earnings to charitable, fraternal, and other specified purposes. No life, sickness, or accident benefits to members | 1024 | 990 ¹ or 990EZ ⁸ | Yes, if for certain Sec. 501(c)(3) purposes |
| 501(c)(11) | Teachers' Retirement Fund Associations | Teachers' association for payment of retirement benefits | No Form ⁶ | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(12) | Benevolent Life Insurance Associations, Mutual Ditch or Irrigation Companies, Mutual or Cooperative Telephone Companies Etc. | Activities of a mutually beneficial nature similar to those implied by the description of class of organization | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(13) | Cemetery Companies | Burials and incidental activities | 1024 | 990 ¹ or 990EZ ⁸ | Yes, generally |
| 501(c)(14) | State Chartered Credit Unions, Mutual Reserve Funds | Loans to members | No Form ⁶ | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(15) | Mutual Insurance Companies or Associations | Providing insurance to members substantially at cost | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(16) | Cooperative Organizations to Finance Crop Operations | Financing crop operations in conjunction with activities of a marketing or purchasing association | No Form ⁶ | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(17) | Supplemental Unemployment Benefit Trusts | Provides for payment of supplemental unemployment compensation benefits | 1024 | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(18) | Employee Funded Pension Trust (created before June 25, 1959) | Payment of benefits under a pension plan funded by employees | No Form ⁶ | 990 ¹ or 990EZ ⁸ | No ² |
| 501(c)(19) | Post or Organization of Past or Present Members of the Armed Forces | Activities implied by nature of organization | 1024 | 990 ¹ or 990EZ ⁸ | No, generally ⁷ |
| 501(c)(21) | Black Lung Benefit Trusts | Funded by coal mine operators to satisfy their liability for disability or death due to black lung diseases | No Form ⁶ | 990-BL | No ⁴ |
| 501(c)(22) | Withdrawal Liability Payment Fund | To provide funds to meet the liability of employers withdrawing from a multi-employer pension fund | No Form ⁶ | 990 or 990EZ ⁸ | No ⁵ |
| 501(c)(23) | Veterans Organization (created before 1880) | To provide insurance and other benefits to veterans | No Form ⁶ | 990 or 990EZ ⁸ | No, generally ⁷ |
| 501(c)(25) | Title Holding Corporations or Trusts with Multiple Parents | Holding title and paying over income from property to 35 or fewer parents or beneficiaries | 1024 | 990 or 990EZ | No |

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| 501(c) (26) | State-Sponsored Organization Providing Health Coverage for High-Risk Individuals | Provides health care coverage to high-risk individuals | No Form ⁶ | 990 ¹ or 990EZ ⁸ | No |
| 501(c) (27) | State-Sponsored Workers' Compensation Reinsurance Organization | Reimburses members for losses under workers' compensation acts | No Form ⁶ | 990 ¹ or 990EZ ⁸ | No |
| 501(c) (28) | National Railroad Retirement Investment Trust | Manages and invests the assets of the Railroad Retirement Account | No Form ¹¹ | Not yet determined | No |
| 501(d) | Religious and Apostolic Associations | Regular business activities. Communal religious community | No Form | 1065 ⁹ | No ² |
| 501(e) | Cooperative Hospital Service Organizations | Performs cooperative services for hospitals | 1023 | 990 ¹ or 990EZ ⁸ | Yes |
| 501(f) | Cooperative Service Organizations of Operating Educational Organizations | Performs collective investment services for educational organizations | 1023 | 990 ¹ or 990EZ ⁸ | Yes |
| 501(k) | Child Care Organizations | Provides cares for children | 1023 | 990 or 990EZ ⁸ | Yes |
| 501(n) | Charitable Risk Pools | Pools certain insurance risks of 501(c)(3) | 1023 | 990 ¹ or 990EZ ⁸ | Yes |
| 521(a) | Farmers' Cooperative Associations | Cooperative marketing and purchasing for agricultural procedures | 1028 | 990-C | No |
| 527 | Political organizations | A party, committee, fund, association, etc., that directly or indirectly accepts contributions or makes expenditures for political campaigns | 8871 | 1120-POL ¹⁰ 990 or 990EZ ⁸ | No |

- ¹For exceptions to the filing requirement, see chapter 2 of Publication 557 and the form instructions.
- ²An organization exempt under a subsection of Code sec. 501 other than 501(c)(3) may establish a charitable fund, contributions to which are deductible. Such a fund must itself meet the requirements of section 501(c)(3) and the related notice requirements of section 508(a).
- ³Contributions to volunteer fire companies and similar organizations are deductible, but only if made for exclusively public purposes.
- ⁴Deductible as a business expense to the extent allowed by Code section 192
- ⁵Deductible as a business expense to the extent allowed by Code section 194A.
- ⁶Application is by letter to the address shown on Form 8718. A copy of the organizing document should be attached and the letter should be signed by an officer.
- ⁷Contributions to these organizations are deductible only if 90% or more of the organization's members are war veterans.
- ⁸For limits on the use of Form 990EZ, see chapter 2 of Publication 557 and the general instructions for Form 990EZ (or Form 990).
- ⁹Although the organization files a partnership return, all distributions are deemed dividends. The members are not entitled to **pass-through** treatment of the organization's income or expenses.
- ¹⁰Form 1120-POL is required only if the organization has taxable income as defined in IRC 527(c).
- ¹¹Application procedures not yet determined.
- **Note** Section 501(c)(24) organizations (section 4049 ERISA trusts) are neither discussed in Publication 557 nor listed in this *Organization Reference Chart*. Likewise, farmers' cooperative associations that qualify for exemption under section 521, qualified state tuition programs described in section 529, and pension, profit-sharing, and stock bonus plans described in section 401(a) are not discussed in Publication 557 nor listed here. If you think your organization falls within one of these categories, contact the Internal Revenue Service (IRS) for any additional information you need. For telephone assistance, call **1-877-829-5500**.

501(c)(3)

An organization may qualify for exemption from federal income tax under section 501(c)(3) if it is

organized and operated exclusively for one or more of the following purposes.

- Charitable.
- Religious.
- Educational.
- Scientific.
- Literary.
- Testing for public safety.
- Fostering national or international amateur sports competition (but only if none of its activities involve providing athletic facilities or equipment; however, see *Amateur Athletic Organizations*, later in this chapter).
- The prevention of cruelty to children or animals.

To qualify, the organization must be a corporation, community chest, fund, or foundation. A trust is a fund or foundation and will qualify. However, an individual or a partnership will not qualify.

Examples. Qualifying organizations include:

- Nonprofit old-age homes,
- Parent-teacher associations,
- Charitable hospitals or other charitable organizations,
- Alumni associations,
- Schools,
- Chapters of the Red Cross or Salvation Army,
- Boys' or Girls' clubs, and
- Churches.

Child care organizations. The term educational purposes includes providing for care of children away from their homes if substantially all the care provided is to enable individuals (the parents) to be gainfully employed and the services are available to the general public.

Instrumentalities. A state or municipal instrumentality may qualify under section 501(c)(3) if it is organized as a separate entity from the governmental unit that created it and if it otherwise meets the organizational and operational tests of section 501(c)(3). Examples of a qualifying instrumentality might include state schools, universities, or hospitals. However, if an organization is an integral part of the local government or possesses governmental powers, it does not qualify for exemption. A state or municipality itself does not qualify for exemption.

Payments made as a result of September 11, 2001, Terroristic Attacks. Payments made on or after September 11, 2001 by a 501(c)(3) organization to individuals and their families because of death, injury, wounding, or illness of an individual as a result of the terrorist attacks against the United States on September 11, 2001, or for an attack involving anthrax, occurring on or after September 11, 2001, and before January 1, 2002, are treated as related to the charity's exempt purpose provided that the payments are consistently applied and are made using a reasonable and objective formula.

[Download Form 5768](#)

• By filing Form 5768 your legislative activities will be measured solely by expenditure limits under section 501(h) rather than by whether legislative activity is considered substantial. Form 5768 is included in Package 1023 for your convenience. It describes the types of organizations that are eligible to make an election. For a discussion of the requirements of section 501(h), see [Publication 557](#). If you are an organization that elects to use expenditure limits in influencing legislation:

- Attach a copy of Form 5768 that has already been separately filed with us, or
- Provide a completed Form 5768 with your exemption application.

Caution: Churches and private foundations are not eligible to make this election.

[Download Form 8821](#)

• Form 8821 authorizes any individual, corporation, firm, organization, or partnership you designate to inspect and/or receive your confidential information in any office of the IRS for the type of tax and the years or periods you list on Form 8821. You may file your own tax information authorization without using Form 8821, but it must include all the information that is requested on Form 8821.

• Form 8821 does not authorize your appointee to advocate your position with respect to the Federal tax laws; to execute waivers, consents, or closing agreements; or to otherwise represent you before the IRS. If you want to authorize an individual to represent you, use [Form 2848](#), Power of Attorney and Declaration of Representative.

[Download Form 990](#)

• Exempt organizations, other than private foundations, must file their annual information returns on Form 990, or Form 990-EZ. Organizations with gross receipts of less than \$25,000 are not required to file Form 990 or 990-EZ and Schedule B (Form 990 or 990-EZ). [Download Form 990-EZ](#)

• This is a shortened version of Form 990. It is designed for use by small exempt organizations and nonexempt charitable trusts. An organization may file Form 990-EZ, instead of Form 990, if it meets both of the following requirements. 1) Its gross receipts during the year were less than \$100,000. 2) Its

total assets (line 25, column (B) of Form 990-EZ) at the end of the year were less than \$250,000. If your organization does not meet either of these conditions, you cannot file Form 990-EZ. Instead you must file Form 990. [Download Form 990 and Form 990-EZ Instructions](#)

[Download Form 990-PF](#)

- All private foundations exempt under section 501(c)(3) must file Form 990-PF. [Download Form 990-PF Instructions](#)

Adjusted net income (for Schedule D)

For the purposes of Schedule D, "adjusted net income" includes: gross income from any unrelated trade or business; gross income from functionally related businesses; interest payments received on loans; amounts received or accrued as repayments of amounts taken as qualifying distributions for any tax year; amounts received or accrued from the sale or other disposition of property to the extent acquisition of the property was treated as a qualifying distribution for any tax year; any amounts set aside for a specific project to the extent the full set aside was not necessary for the project; interest on government obligations normally excluded under section 103 of the Code; net short-term capital gains on sale or other disposition of property; and income received from an estate if the estate is considered terminated for income tax purposes because of a prolonged administration period.

It does not include: gifts, grants, and contributions received; long-term capital gains or losses; net section 1231 gains; capital gain dividends; the excess of fair market value over adjusted basis of property distributed to the U.S. or a possession or political subdivision, a state or its political subdivision, a charitable trust or corporation for public purposes, or income received from an estate during the administration period.

In computing adjusted net income, deduct the following: ordinary and necessary expenses paid or incurred for the production or collection of gross income, or for the management, conservation, or collection of gross income (includes operating expenses such as compensation of officers, employee wages and salaries, interest, rent, and taxes); straight-line depreciation and depletion (not percentage depletion); and expenses and interest paid or incurred to carry tax-exempt obligations. Do not deduct net short-term capital losses for the year in which they occur (these losses cannot be carried back or carried over to earlier or later tax years); the excess of expenses for property used for exempt purposes over the income received from the property; charitable contributions made by you; net operating losses; and special deductions for corporations.

Advance ruling

A written determination by the IRS on your public charity status that treats you as a publicly supported organization during a 5-year period beginning, generally, from the date of your formation. At the end of the 5-year period, you will qualify for a definitive ruling (see definition below) if you were publicly supported based on the support you received during the 5-year period.

Affiliated

Created by, controlled by, or closely related to a governmental unit, including a State, a possession of the United States, or any political subdivision of a State or a possession of the United States, or the United States, or the District of Columbia.

affiliates of a governmental unit

IRS Revenue Procedure 95-48 (3 pp.) provides more information on determining whether or not your organization qualifies as an "[affiliate of a governmental unit](#)."

Applicable tax-exempt organization

- An applicable tax-exempt organization is a section 501(c)(3) or 501(c)(4) organization that is tax-exempt under section 501(a), or was such an organization at any time during a five-year period ending on the day of the excess benefit transaction. An applicable tax-exempt organization does not include:

1. A private foundation as defined in section 509(a),
2. A governmental entity that is:
 - Exempt from (or not subject to) taxation without regard to section 501(a), or
 - Not required to file an annual return
3. A foreign organization, recognized by the IRS or by treaty, that receives substantially all of its support (other than gross investment income) from sources outside the United States.

Arm's length

A transaction between parties having adverse (or opposing) interests; where none of the participants are in a position to exercise substantial influence over the transaction because of business or family relationship(s) with more than one of the parties.

Articles of incorporation

An organization's articles of organization are the articles of incorporation or charter, trust document, or other written instrument by which the organization is created. Sample articles for [private foundations](#) and [public charities](#) are available on the IRS website. Additional information is available through the National Association of Secretary of States' [website](#).

attachment

Every attachment should show your organization's name, address, and EIN. It should also state that it is an attachment to your application form and identify the part and line item number to which it applies.

Authorized Representative

By submitting Form 2848, an attorney or certified public accountant who is permitted to represent you before us regarding your application for tax-exempt status.

Bingo

A game of chance played with cards that are generally printed with 5 rows of 5 squares each, on which participants place markers to form a pre-selected pattern to win the game. Bingo is gambling.

Business relationship

Employment and contractual relationships, and common ownership of a business where any officers, directors, or trustees, individually or together, possess more than a 35% ownership interest in common. Ownership means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust.

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| Bylaws | The internal rules and regulations of an organization. |
| Certification of filing | Articles of incorporation for your organization showing evidence that on a specific date they were filed with and approved by an appropriate state authority. |
| Charitable risk pool | An organization described in section 501(n), which is organized and operated to pool insurable risks (other than medical malpractice) of its section 501(c)(3) members. |
| charitable | Charitable organizations conduct activities that promote: <ul style="list-style-type: none"> • relief of the poor, the distressed, or the underprivileged • advancement of religion • advancement of education or science • erection or maintenance of public buildings, monuments, or works • lessening the burdens of government • lessening neighborhood tensions • eliminating prejudice and discrimination • defending human and civil rights secured by law • combating community deterioration and juvenile delinquency |
| Close connection | A relationship between organizations that may include: control of one organization by another through common governance or through authority to approve budgets or expenditures; coordination of operations as to facilities, programs, employees, or other activities; or common persons exercising substantial influence over all of the organizations. |
| Common control | You and one or more other organizations have (1) a majority of your governing boards or officers appointed or elected by the same organization(s), or (2) a majority of your governing boards or officers consist of the same individuals. Common control also occurs when you and one or more commonly controlled organizations have a majority ownership interest in a corporation, partnership, or trust. Ownership means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust. |
| Community | The local or regional geographic area to be served by an organization. |
| Compensation | All forms of income from working, including salary or wages; deferred compensation; retirement benefits, whether in the form of a qualified or non-qualified employee plan (for example: pensions or annuities); fringe benefits (for example: personal vehicle, meals, lodging, personal and family educational benefits, low interest loans, payment of personal travel, entertainment, or other expenses, athletic or country club membership, and personal use of your property); and bonuses. |
| Conflict of interest policy | A conflict of interest arises when a person in a position of authority over an organization, such as a director, officer, or manager, may benefit personally from a decision he or she could make. A conflict of interest policy consists of a set of procedures to follow to avoid the possibility that those in positions of authority over an organization may receive an inappropriate benefit. |
| conflict of interest | <ul style="list-style-type: none"> • Charitable organizations are frequently subject to intense public scrutiny, especially where they appear to have inappropriately benefited their officers, directors, or trustees. The IRS also has an oversight role with respect to charitable organizations. An important part of this oversight is providing organizations with strategies that will help avoid the appearance or actuality of private benefit to individuals who are in a position of substantial authority. The recommended conflict of interest policy is a strategy we encourage organizations to adopt as a means to establish procedures that will offer protection against charges of impropriety involving officers, directors, or trustees. • A conflict of interest occurs where individuals obligation to further the organizations charitable purposes is at odds with their own financial interests. For example, a conflict of interest would occur where an officer, director, or trustee votes on a contract between the organization and a business that is owned by the officer, director or trustee. Conflicts of interest frequently arise when setting compensation or benefits for officers, directors, or trustees. A conflict of interest policy is intended to help ensure that when actual or potential conflicts of interest arise, the organization has a process in place under which the affected individual will advise the governing body about all the relevant facts concerning the situation. A conflict of interest policy is also intended to establish procedures under which individuals who have a conflict of interest will be excused from voting on such matters. • Apart from any appearance of impropriety, organizations will lose their tax exempt status unless they operate in a manner consistent with their charitable purposes. Serving private interests more than insubstantially is inconsistent with accomplishing charitable purposes. For example, paying an individual who is in a position of substantial authority excessive compensation serves a private interest. Providing facilities, goods, or services to an individual who is in a position of substantial authority also serves a private interest unless the benefits are part of a reasonable compensation arrangement or they are available to the public on equal terms and conditions. |
| conformed copy | <ul style="list-style-type: none"> • A conformed copy is an exact copy of the original and all amendments to it. If the original document required a signature, the copy should either be signed by a principal officer or, if not signed, be accompanied by a written declaration signed by an authorized officer of the organization. With either option, the officer must certify that the document is a complete and accurate copy of the original. A certificate of incorporation should be approved and dated by an appropriate state official. • Every attachment should show your organization's name, address, and EIN. It should also state that it is an attachment to your application form and identify the part and line item number to which it applies. Do not submit original documents because they become part of the IRS file and cannot be returned. |
| Controlled by disqualified | As a section 509(a)(3) supporting organization, you may not be controlled directly or indirectly by disqualified persons. You are controlled if disqualified persons can exercise 50% or more of the total |

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| persons | voting power of your governing body. You are also controlled if disqualified persons have authority to affect significant decisions, such as power over your investment decisions, or power over your charitable disbursement decisions. You are also controlled if disqualified persons can exercise veto power. Although control is generally demonstrated where disqualified persons have the authority over your governing body to require you to take an action or refrain from taking an action, indirect control by disqualified persons will also disqualify you as a supporting organization. |
| Cooperative hospital service organization | An organization described in section 501(e) is organized and operated on a cooperative basis to provide its section 501(c)(3) hospital members one or more of the following activities: data processing, purchasing (including purchasing insurance on a group basis), warehousing, billing and collection (including purchasing patron accounts receivable on a recourse basis), food, clinical, industrial engineering, laboratory, printing, communications, record center, and personnel (including selecting, testing, training, and educating personnel) services. |
| Cooperative service organization of operating educational organizations | An organization described in section 501(f) is organized and operated to provide investment services to its members. Those members must be organizations described in section 170(b)(1)(A)(ii) or (iv), and either tax exempt under section 501(a) or whose income is excluded from taxation under section 115(a). |
| Corporation | <ul style="list-style-type: none"> • A "corporation" is an entity organized under a Federal or state statute, or a statute of a federally recognized Indian tribal or Alaskan native government. A corporation's organizing document is its "articles of incorporation." • Corporations filing Form 1023 are required to attach a copy of their articles of incorporation showing certification of filing with the appropriate state agency. They must also include copies of any amendments to these articles, which must also show state filing certification. • If formed under state statute, your articles of incorporation must show certification of filing. This means your articles show evidence that on a specific date they were filed with and approved by an appropriate state authority. The document must be an exact copy of what is on file with your state. • If you do not have a copy of your articles of incorporation showing evidence of having been filed and approved by an appropriate state official, you may submit a substitute copy of your articles of incorporation. This substitute copy may be handwritten, typed, printed, or otherwise reproduced. It must be accompanied by a declaration, signed by an officer authorized to sign for you, that it is a complete and correct copy of the articles of incorporation and that it contains all the powers, principles, purposes, functions, and other provisions by which you currently govern yourself. |
| Definitive ruling | A written determination by the IRS on your public charity status that classifies you as a publicly supported organization if you have completed your first tax year, consisting of at least 8 full months, and you meet one of the public support tests. A definitive ruling may also be issued at the end of your 5-year advance ruling period if you were issued an advance ruling and you meet one of the public support tests. |
| Developer | Develop means the planning, financing, construction, or provision of similar services involved in the acquisition of real property, such as land or a building. Persons or organizations that engage in these activities are commonly known as "developers." |
| Directors | Officers, directors and trustees are collectively referred to in Part V of this system as "Directors." The IRS will always use the full titles of officers, directors and trustees when referencing these positions in Form 1023, Part V and instructions. |
| Disqualified person | <p>Any individual or organization that is:</p> <ul style="list-style-type: none"> a. A [[substantial contributor]] to you. b. An officer, director, trustee, or any other individual who has similar powers or responsibilities. c. An individual who owns more than 20% of the total combined voting power of a corporation that is a [[substantial contributor]] to you. d. An individual who owns more than 20% of the profits interest of a partnership that is a [[substantial contributor]] to you. e. An individual who owns more than 20% of the beneficial interest of a trust or estate that is a [[substantial contributor]] to you. f. A member of the family of any individual described in a, b, c, d, or e above; g. A corporation in which any individuals described in a, b, c, d, e, or f above hold more than 35% of the total combined voting power; h. A trust or estate in which any individuals described in a, b, c, d, e, or f above hold more than 35% of the beneficial interests; and i. A partnership in which any individuals described a, b, c, d, e, or f above hold more than 35% of the profits interest. |

- For the rules relating to [private foundation excise taxes](#), the following persons are considered *disqualified persons* with respect to a private foundation:

1. All [substantial contributors](#) to the foundation,
2. All [foundation managers](#) of the foundation,
3. An owner of more than 20% of--
 - a. The total combined voting power of a corporation,
 - b. The profits interest of a partnership, or
 - c. The beneficial interest of a trust or unincorporated enterprise, which is, during the ownership) a [substantial contributor](#) to the foundation,
4. A [member of the family](#) of any of the individuals described in (1), (2), or (3),
5. A corporation of which more than 35% of the total combined voting power is owned by persons described in (1), (2), (3), or (4),
6. A partnership of which more than 35% of the profits interest is owned by persons described in (1), (2), (3), or (4),
7. A trust, estate, or unincorporated enterprise of which more than 35% of the beneficial interest is owned by persons described in (1), (2), (3), or (4),
8. For purposes of the [tax on excess business holdings](#) only, another private foundation that either--
 - a. is effectively controlled, directly or indirectly, by the same person or persons who control the private foundation in question, or
 - b. receives substantially all of its contributions, directly or indirectly, from the same persons described in (1), (2), or (3), or members of their families, who made, directly or indirectly, substantially all the contributions to the private foundation in question, and
 - c. For purposes of the [tax on self-dealing](#) only, a [government official](#).

- Indirect ownership of stock in a corporation, profits interest in a partnership, or beneficial interest in a trust, estate, or unincorporated enterprise is taken into account for determining whether:

1. The stockholdings, or profits or beneficial interest, amount to more than 20% of the total combined voting power of the corporation or more than 20% of the profits or beneficial interests, or
2. More than 35% of the total combined voting power of the corporation or more than 35% of the profits or beneficial interests are owned by persons described in categories (1), (2), (3), or (4).

- See [Attribution of ownership](#) for more information on indirect ownership rules.

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| Earmark | Donations or other contributions given to you to assist particular individuals or specific identified groups. |
| Economic development | Organizations formed to combat community deterioration by assisting businesses located in a particular geographic area whose economy is economically depressed or deteriorating. Economic development activities include grants, loans, provision of information and expertise, or creation of industrial parks. Economic development organizations may also be formed to eliminate prejudice and discrimination or lessen the burdens of government through involvement with business development. |
| Elderly housing | Generally, the primary beneficiaries of the tax-exempt housing are age 62 and older. The elderly are treated as appropriate charitable beneficiaries for certain purposes regardless of socio-economic status because, as a group, they face many barriers to their basic needs as they age. The elderly, as a class, face forms of distress other than financial, such as the need for suitable housing, physical and mental health care, civic, cultural, and recreational activities, and an overall environment conducive to dignity and independence. |
| Expenses | Financial burdens or outlays; costs (of doing business); business outlays chargeable against revenues. For purposes of this form, expenses mean direct and indirect expenses. |
| Fair market value | The price at which property or the right to use property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy, sell, or transfer property or the right to use property, and both having reasonable knowledge of relevant facts. |
| Family | Includes an individual's spouse, ancestors, children, grandchildren, great grandchildren, siblings (whether by whole or half blood), and the spouses of children, grandchildren, great grandchildren, and siblings. |
| Fixed payment | A "fixed payment" means a payment that is either a set dollar amount or fixed through a specific formula where the amount does not depend on discretion. For example, a base salary of \$200,000 that is adjusted annually based on the increase in the Consumer Price Index is a fixed payment. |
| For-profit Foundation | A business entity whose activities are conducted or maintained to make a profit (e.g. revenues greater than expenses). |
| Foreign | <p>Foreign Country</p> <ul style="list-style-type: none"> • A country other than (1) the United States, its territories and possessions, (2) federally recognized Indian tribal or Alaska Native governments, or (3) the District of Columbia. Foreign Organization • Foreign organizations are those that were created in countries other than the United States; its territories and possessions; federally recognized Indian tribal or Alaska Native governments; or the District of Columbia.. Foreign organizations may apply for tax-exempt status on income earned in the United States in the same way that domestic organizations apply for exempt status. See, <i>Language and currency requirements</i>. |

- A foreign organization applying for exempt status should complete all required parts of Form 1023. There are, however, special rules below for some Canadian organizations.
- Note: Contributions by U.S. residents to foreign organizations generally are not deductible. Tax treaties between the U.S. and certain foreign countries provide specific limited exceptions. Annual returns for foreign organizations.
- A foreign organization that obtains exemption as a public charity must file an information return annually (Form 990 or Form 990-EZ). A foreign organization that is a private foundation must file Form 990-PF annually. However, a foreign organization, other than a private foundation, may be relieved from filing Form 990 or Form 990-EZ in any year in which it has gross receipts from U.S. source income of \$25,000 or less and has not conducted significant activity in the United States. See the Instructions for Form 990 and Form 990-EZ, and the Instructions for Form 990-PF for further information. A foreign organization that is subject to unrelated business income tax must file Form 990-T.
- **Canadian Organizations**
 - Canadian organizations that have received a Notification of Registration from the Canada Customs and Revenue Agency (formerly, Revenue Canada), and whose registrations have not been revoked ("Canadian registered charities"), are automatically recognized as section 501(c)(3) organizations and are not required to file Form 1023. Canadian registered charities are also presumed to be private foundations. A Canadian registered charity may complete certain portions of the Form 1023 in order to be listed as a section 501(c)(3) organization in IRS Publication 78, or to request classification as a public charity, rather than a private foundation. A Canadian registered charity should only complete and submit the following documents.
 - Copy of its Notification of Registration.
 - *Part I* of Form 1023.
 - *Part X* of Form 1023 (if requesting public charity classification).
 - Signature line in *Part XI* of Form 1023.
 - Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b).
 - No user fee is required.
 - **Organizations Created in United States Territories and Possessions**
 - Organizations created in possessions and territories of the United States are generally treated as domestic organizations. These organizations complete all required parts of Form 1023 to apply for exempt status under section 501(c)(3). Special rules, discussed below, apply to some Virgin Islands organizations.
 - Charitable contributions to organizations created in United States possessions and territories are deductible by the donors if the organization qualifies for exempt status under section 501(c)(3).
 - **Virgin Islands Organizations**
 - The United States Virgin Islands, Bureau of Internal Revenue (BIR) may request an information only letter concerning the exempt status under section 501(c)(3) of an organization formed in the Virgin Islands. The organization itself does not seek U.S. recognition of exempt status. The information only procedure requires the BIR to complete Form 1023 and supporting documents for the organization, but does not require a user fee payment. The application and supporting documents are not open for public inspection (see *Public Inspection*, for more information).
 - All other Virgin Islands organizations that seek U.S. recognition of exempt status under section 501(c)(3) must follow the normal application process.

Foundation manager

- A "foundation manager" means your:
 - Officers, directors, or trustees, or
 - An individual having powers or responsibilities similar to those of your officers, directors, or trustees.
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Fundraising

The organized activity of raising funds, whether by volunteers, employees, or paid independent contractors.

Gainfully employed

Employed or actively looking for work.

Gaming

The term gaming includes activities such as Bingo, Beano, lotteries, pull-tabs, pari-mutuel betting, Calcutta wagering, pickle jars, punch boards, tip boards, tip jars, certain video games, 21, raffles, keno, split-the-pot, and other games of chance.

Gross investment income

As defined in section 509, gross investment income means the gross amount of income from interest, dividends, payments with respect to securities loans, rents, and royalties, but not including any such income to the extent included in computing the tax imposed by section 511.

Gross receipts

For purposes of Part IX-A. Statement of Revenues and Expenses, gross receipts includes monies earned from activities related to your charitable or other section 501(c)(3) activities, such as selling admissions or merchandise, performing services, or furnishing facilities.

Group exemption

- **Application for exemption:** Form 1023 is NOT used to apply for a group exemption. A group exemption is issued to a central organization that recognizes on a group basis the exemption of subordinate organizations on whose behalf the central organization has applied. See [Publication 557](#) for information on how to apply for a group exemption.
- **Leaving a group exemption:** If a subordinate organization in an existing group exemption wishes to apply for an individual exemption, it should notify its parent organization of its intention to leave the group ruling before filing Form 1023.

Handicapped

Persons with physical or mental disabilities with special needs for suitable housing, physical and mental health care, civic, cultural, and recreational activities, transportation, and an overall environment

conducive to dignity and independence.

Hospital Hospital or medical care includes the treatment of any physical or mental disability or condition, whether on an inpatient or outpatient basis. A hospital includes:

a. Hospitals and rehabilitation institutions, outpatient clinics, or community mental health or drug treatment centers if the principal purpose or function is the providing of medical or hospital care or medical education or research.

b. Medical research organizations, if the principal purpose or function is the continuous active conduct of medical research in conjunction with a hospital.

Independent contractors

- Persons who are not treated as employees for employment tax purposes.
- A general rule is that the EO, as the payer, has the right to control or direct only the result of the work done by an independent contractor, and not the means and methods of accomplishing the result.

Example: Donna Lee works full-time as an appraiser for a tax-exempt museum. Donna works five days a week, and is on duty in the museum's office on assigned days and times. Her appraisals and proposals are subject to the museum curator's approval. Lists of leads of prospective sellers of art belong to the museum. Because of Donna's experience, she requires only minimal assistance in appraising art and preparing proposals, and in other phases of her work. In addition to paying Donna's wages, the museum pays the cost of health insurance and group-term life insurance for her. Donna is an employee of the tax-exempt museum.

- Refer to "Who Are Employees?" in [Publication 15-A, Employer's Supplemental Tax Guide](#), for more information

Influence legislation The act of directly contacting or urging the public to contact members of a legislative body for the purpose of proposing, supporting, or opposing legislation. You are also attempting to influence legislation if you advocate the adoption or rejection of legislation.

Intellectual property A type of property (distinct from real or personal property) which includes:

a. Patents (for inventions).

b. Copyrights (for literary and artistic works such as novels, poems, plays, films, musical works, drawings, paintings, photographs, sculptures, architectural designs, performances, recordings, film, and radio or television programs).

c. Trade names, trade marks, and service marks (for symbols, names, images, and designs).

d. Formulas, know-how, and trade secrets.

Internal Revenue Code Federal tax law begins with the Internal Revenue Code (IRC), enacted by Congress in Title 26 of the United States Code (26 U.S.C.). See [Tax Code, Regulations and Official Guidance](#) for more information.

IRS www.irs.gov

- **Phone.** Many services are available by phone.
- Ordering forms, instructions, and publication. Call 1-800-829-3676 to order current-year forms, instructions, and publications and prior-year forms and instructions. You should receive your order within 10 days.
- Asking tax questions. Call the IRS with your tax questions about exempt organizations at 1-877-829-5500.
- Solving problems. You can get face-to-face help solving tax problems every business day in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. Call your local Taxpayer Assistance Center for an appointment. To find the number, go to www.irs.gov/localcontacts or look in the phone book under United States Government, Internal Revenue Service.
- TTY/TDD equipment. If you have access to TTY/TDD equipment, call 1-800-829-4059 to ask tax questions or to order forms and publications.
- TeleTax topics. Call 1-800-829-4477 and press 2 to listen to pre-recorded messages covering various tax topics.

Joint ventures A legal agreement in which the parties jointly undertake a transaction for mutual profit. Generally, each person contributes assets and shares risks. Like a partnership, joint ventures can involve any type of business transaction and the persons involved can be individuals, groups of individuals, companies, or corporations.

Language and currency requirements

- Prepare Form 1023 and attachments in English. Provide an English translation if the articles of organization or bylaws are in any other language.
- We may ask you to provide English translations of foreign language publications you submit with your Form 1023.
- Report financial information in U.S. dollars (specify the conversion rate used). Combine amounts from within and outside the United States and report the total for each line on the financial statements.

Limited liability A "limited liability company" (LLC) combines attributes of both corporations and partnerships (or, for

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| company | <p>one-person LLCs, sole proprietorships). The corporations protection from personal liability for business debts and the pass-through tax structure of partnerships and sole proprietorships.</p> <ul style="list-style-type: none"> • A limited liability company filing Form 1023 must attach a copy of its articles of organization showing certification of filing with the appropriate state agency. The articles must require that the LLC's members be section 501(c)(3) organizations or governmental units or wholly owned instrumentalities of a state or its political subdivisions. The LLC must attach copies of any amendments to the articles, showing state filing certification, and also attach copies of any operating agreements the LLC has adopted. An LLC may have only 501(c)(3) member(s) to qualify for exemption. An LLC should not file an exemption application if it wants to be treated as a disregarded entity by its tax-exempt member. An LLC that files its own exemption application is treated as an association taxable as a corporation for tax purposes. • There are circumstances when an LLC should not file its own exemption application. • Instead of articles of incorporation, an LLC's organizing document is its state-approved "articles of organization." If it has adopted an "operating agreement," then this document is also part of its organizing document. • An LLC may only have 501(c)(3) member(s) to qualify for an exemption. An LLC should not file an exemption application if it wants to be treated as a disregarded entity by its tax-exempt member. |
| Loosely affiliated | Loosely affiliated groups of individuals are not eligible for tax-exempt status under section 501(c)(3). |
| Low-income housing | Rental or ownership housing provided to persons based on financial need. |
| Mailing Address | <ul style="list-style-type: none"> • The complete address where all correspondence will be sent. If mail is not delivered to the street address and you have a P.O. Box, show the box number instead of the street address. • For a foreign address, enter the information in the following order: city, province or state, and country. Follow the country's practice in placing the postal code in the address. Do not abbreviate the country name. |
| Manage | Manage means to direct or administer. |
| Medical care | The treatment of any physical or mental disability or condition, whether on an inpatient or outpatient basis. See <i>Hospital</i> . |
| Medical research organization | An organization whose principal purpose or function is the continuous active conduct of medical research in conjunction with a hospital. |
| Net income (for Schedule D) | See adjusted net income. |
| Non-fixed payment | A non-fixed payment means a payment that depends on discretion. For example, a bonus of up to \$100,000 that is based on an evaluation of performance by the governing board is a non-fixed payment because the governing body has discretion over whether the bonus is paid and the amount of the bonus. |
| organizational test | A charity's articles of organization must limit the organization's purposes to one or more of the exempt purposes set forth in section 501(c)(3) and must not expressly empower it to engage, other than as an insubstantial part of its activities, in activities that are not in furtherance of one or more of those purposes. This requirement may be met if the purposes stated in the articles of organization are limited in some way by reference to section 501(c)(3). In addition, assets of an organization must be permanently dedicated to an exempt purpose. This means that should an organization dissolve, its assets must be distributed for an exempt purpose described in this chapter, or to the federal government or to a state or local government for a public purpose. To establish that an organization's assets will be permanently dedicated to an exempt purpose, the articles of organization should contain a provision insuring their distribution for an exempt purpose in the event of dissolution. Although reliance may be placed upon state law to establish permanent dedication of assets for exempt purposes, an organization's application can be processed by the IRS more rapidly if its articles of organization include a provision insuring permanent dedication of assets for exempt purposes. |
| Organizing document | The organizing document depends on the form of the organization. For a corporation, the document is the articles of incorporation and any operating agreement it has adopted. For a limited liability company (LLC), the document is the articles of organization. For an unincorporated association, the document is the articles of association or constitution. The organizing document of a trust is the trust agreement or declaration of trust. |
| ownership | "Ownership" means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust. |
| Paid Advisor | <p>"Paid Advisor" is an unofficial term used in Part I for persons, other than your officers, directors, trustees, employees, or authorized representative(s), whom you paid, or promised to pay, to assist you in establishing your organization, developing programs to solicit funds, or otherwise advising you about organizational, financial, or tax matters.</p> <ul style="list-style-type: none"> • For example, the term 'paid advisor' includes a paid consultant who advised you about obtaining tax exemption. |
| Political | You participate in a political campaign if you promote or oppose, through political literature, brochures, pamphlets, hosting or participating in events, etc., the candidacy of an individual for public office. Debates and nonpartisan voter education are not considered political. |
| Predecessor | An organization whose activities or assets were taken over by another organization. |
| Private foundation | Organizations that are exempt under section 501(c)(3) are private foundations unless they are: churches, schools, hospitals, governmental units, entities that undertake testing for public safety; organizations |

that have broad financial support from the general public; or organizations that support one or more other organizations that are themselves classified as public charities.

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| Private Inurement | Tax exempt organizations are NOT permitted to operate for the benefit of private interests such as those of its founder, the founder's family, its shareholder or persons controlled by such interests. (Pub. 4220) Staff compensation (salaries, deferred compensation, and other benefits) must be reasonable and consistent with the fair market value of the services. Compensation to consultants and contractors ... |
| Private operating foundation | A type of private foundation that lacks general public support, but makes qualifying distributions directly for the active conduct of its educational, charitable, and religious purposes. Directly for the active conduct means that the distributions are used by the foundation itself to carry out the programs for which it is organized and operated. Grants made to assist other organizations or individuals are normally considered indirect. |
| Public charity | Generally, public charities are organizations that are exempt under section 501(c)(3) and are not classified as private foundations because they: <ul style="list-style-type: none"> (i) are churches, hospitals, qualified medical research organizations affiliated with hospitals, schools, colleges and universities, (ii) have an active program of fundraising and receive contributions from many sources, including the general public, governmental agencies, corporations, private foundations or other public charities, (iii) receive income from the conduct of activities in furtherance of the organization's exempt purposes, or (iv) actively function in a supporting relationship to one or more existing public charities. <p>Private foundations, in contrast, typically have a single major source of funding (usually gifts from one family or corporation rather than funding from many sources) and most have as their primary activity the making of grants to other charitable organizations and to individuals, rather than the direct operation of charitable programs. Public charity status is a more favorable tax status than private foundation status.</p> |
| Reasonable Compensation | Reasonable compensation is the amount that would ordinarily be paid for like services by like organizations under like circumstances as of the date the compensation arrangement is made. Reasonable compensation is important because excessive benefits in the form of compensation to disqualified persons may result in the imposition of excise taxes and jeopardize the organizations tax-exempt status. |
| Related Relationship | The family or business relationships between persons. A relationship between you and the recipient organization includes the following situations: <ul style="list-style-type: none"> a. You control the organization or it controls you through common officers, directors, or trustees, or through authority to approve budgets or expenditures. b. You and the organization were created at approximately the same time and by the same persons. c. You and the organization operate in a coordinated manner with respect to facilities, programs, employees, or other activities. d. Persons who exercise substantial influence over you also exercise substantial influence over the other organization. |
| Revenue Procedure | An official statement of a procedure published in the IRS Cumulative Bulletin that either affects the rights or duties of taxpayers or other members of the public under the Internal Revenue Code and related statutes, treaties, and regulations or, although not necessarily affecting the rights and duties of the public, should be a matter of public knowledge. |
| Revenue Ruling | An official interpretation by the IRS of the Internal Revenue laws and related statutes, treaties, and regulations, that has been published in the Cumulative Bulletin. Revenue Rulings are issued only by the National Office and are published for the information and guidance of taxpayers, IRS officials, and others concerned. |
| Revenue School | Revenue means gross revenue amounts. A school is an educational organization whose primary function is the presentation of formal instruction and which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on. A school may include a: <ul style="list-style-type: none"> a. Primary, secondary, preparatory, or high school. b. College or university. c. Trade or technical school. d. Nursery or preschool. |

e. School that you operate as an activity, such as school that is operated as an activity of a museum, historical society, or church.

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| Similarly situated | "Similarly situated organizations" means tax-exempt or taxable organizations of a comparable size, purpose, and resources. Adjustments due to geographic area, and other specific conditions are appropriate, but should be documented. The source(s) of comparable compensation data, both taxable and non-taxable, should be documented and copies retained in your permanent records. |
| SS-4 | Form SS-4 is the application for Employer Identification Number (EIN). As of October, 2004, you can no longer submit Form SS-4 with your application for tax-exempt status. You must have an EIN prior to filing Form 1023. |
| States with Statutory Provisions that Satisfy Section 508(e) | <p>• States with Statutory Provisions Satisfying the Requirements of Internal Revenue Code Section 508(e) (Based on Revenue Ruling 75-38, 1975-1 C.B. 161)</p> <ul style="list-style-type: none"> • The following states have adopted legislation satisfying the requirements of section 508(e) relating to private foundation governing instruments. Information derived from Revenue Ruling 75-38, 1975-1 C.B. 161. • ALABAMA - except where otherwise provided by a decree of a court of competent jurisdiction or by a provision in the private foundation's governing instrument which in either case has been entered or made after October 1, 1971, and expressly limits the applicability of State law. • ALASKA - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Alaska law do not apply to them. • ARKANSAS - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Arkansas law do not apply to them and except in the case of trusts where otherwise provided by decree of a court of competent jurisdiction. • CALIFORNIA - except where otherwise provided by a court of competent jurisdiction. • COLORADO - with respect to trusts that are private foundations except where otherwise provided by a court of competent jurisdiction. • CONNECTICUT - except where otherwise provided by a court of competent jurisdiction. • DELAWARE - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Delaware law do not apply to them. • DISTRICT OF COLUMBIA - except for such corporations which expressly provide in their governing instruments that the applicable sections of District of Columbia law do not apply to them and except in the case of trusts where otherwise provided by a court of competent jurisdiction. (For purposes of this statute, corporations include corporations organized under any Act of Congress applicable to the District of Columbia as well as corporations organized under the laws of the District of Columbia.) • FLORIDA - except for such trusts which file a proper election not to be subject to the applicable provisions of Florida law and for such corporations as to which a court of competent jurisdiction has otherwise determined. • GEORGIA - except for such private foundations which file a proper election not to be subject to such law. • HAWAII - no exceptions. • IDAHO - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Idaho law do not apply to them. • ILLINOIS - except for such corporations which have express provisions to the contrary in their articles of incorporation and except for trusts where it is otherwise provided by a court of competent jurisdiction. • INDIANA - except where otherwise determined by a court of competent jurisdiction with respect to private foundations organized before January 1, 1970. • IOWA - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Iowa law do not apply to them. • KANSAS - except where otherwise provided by a court of competent jurisdiction. • KENTUCKY - except, with respect to corporations in existence on July 1, 1972, to the extent that such a corporation provides to the contrary by amendment to its articles of incorporation adopted after July 1, 1972, and, with respect to trusts in existence on July 1, 1972, where action is properly commenced on or before December 31, 1972, in a court of competent jurisdiction to excuse the trust from compliance with the requirements of section 508(e) of the Code. • LOUISIANA - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Louisiana law do not apply to them. • MAINE - except where otherwise provided by a court of competent jurisdiction. • MARYLAND - except where otherwise provided by a court of competent jurisdiction. • MASSACHUSETTS - except where otherwise provided by a court of competent jurisdiction. • MICHIGAN - with respect to trusts that are private foundations except for such private foundations which file a notice of inconsistency under Michigan law. • MINNESOTA - except for private foundations that have been held by a court of competent jurisdiction not to be affected by such State statute. • MISSISSIPPI - except where otherwise provided by a court of competent jurisdiction. • MISSOURI - except for private foundations that have been held by a court of competent jurisdiction not to be affected by such State statute. • MONTANA - except in the case of trusts where otherwise provided by court decree entered after March 28, 1974, and except in the case of a corporation which has an express provision to the contrary in its articles of incorporation. |

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| | <ul style="list-style-type: none"> • NEBRASKA - except for such trusts which effectively elect to be excluded from the applicable sections of Nebraska law, for such corporations which have governing instruments expressly providing to the contrary, and except as a court of competent jurisdiction has otherwise determined in any given case. • NEVADA - no exceptions. • NEW HAMPSHIRE - except where it is otherwise provided by a court of competent jurisdiction. • NEW JERSEY - except for such private foundations which expressly provide in their governing instruments that the applicable sections of New Jersey law do not apply to them. • NEW YORK - except where such law conflicts with any mandatory direction of an instrument by which assets were transferred prior to June 1, 1971, and such conflicting direction has not been removed legally. • NORTH CAROLINA - except for such private foundations which expressly provide in their governing instruments that the applicable sections of North Carolina law do not apply to them and except for trusts that have their governing instruments reformed by a decree of the Superior Court of North Carolina. • NORTH DAKOTA - with respect to trusts that are private foundations except where otherwise provided by a court of competent jurisdiction. • OHIO - except in the case of trusts where it is provided otherwise by a court of competent jurisdiction and except in the case of corporations in existence on September 17, 1971, which expressly adopt contrary provisions in their governing instruments after September 17, 1971. • OKLAHOMA - except for such private foundations which file a proper election not to be subject to such law. • OREGON - no exceptions. • PENNSYLVANIA - except where otherwise provided by a court of competent jurisdiction. • RHODE ISLAND - except where otherwise provided by a court of competent jurisdiction. • SOUTH CAROLINA - except for private foundations which expressly provide in their governing instruments that the applicable sections of South Carolina law do not apply to them. • SOUTH DAKOTA - except where otherwise provided by a court of competent jurisdiction. • TENNESSEE - except where otherwise provided by a court of competent jurisdiction. • TEXAS - except for such private foundations which file a proper election not to be subject to such law. • UTAH - with respect to trusts that are private foundations except where otherwise provided by a court of competent jurisdiction. • VERMONT - except where otherwise provided by a court of competent jurisdiction. • VIRGINIA - except for private foundations whose governing instruments contain express provisions to the contrary or which have filed a proper election not to be subject to such law. • WASHINGTON - except for such private foundations which expressly provide in their governing instruments that the applicable sections of Washington law do not apply to them. • WEST VIRGINIA - with respect to trusts that are private foundations except for such trusts which provide in their governing instruments that the applicable sections of West Virginia law do not apply to them. • WISCONSIN - except as may otherwise be provided by decree of a court of competent jurisdiction. • WYOMING - except where otherwise provided by a court of competent jurisdiction. |
| Substantial contributor | Any individual or organization that gave more than \$5,000 to you from the date you were formed or other date that your exemption would be effective, to the end of the year in which the contributions were received. This total amount contributed must also be more than 2% of all the contributions you received. A creator of a trust is treated as a substantial contributor regardless of the amount contributed. |
| Successor | <p>An organization that took over:</p> <ul style="list-style-type: none"> a. More than a negligible amount of the activities that were previously conducted by another organization; b. Twenty-five percent or more of the fair market value of the net assets of another organization; or c. Was established upon the conversion of an organization from for-profit to non-profit status. |
| trust | <p>A trust may be formed by a trust agreement or declaration of trust. A trust may also be formed through a will.</p> <ul style="list-style-type: none"> • A trust filing Form 1023 must attach a signed and dated copy of the trust agreement and include signed and dated copies of any amendments. • If your trust agreement copy does not contain the proper signatures, you may submit a written declaration that states your copy is a complete and accurate copy of the signed and dated original. Your declaration should clearly indicate the original date that it was signed. • For trusts created by a will, include a copy of the death certificate or a statement indicating the date of death, and a copy of the relevant portions of the will. • If your trust agreement provided for distributions for non-charitable interests, indicate the date on which these interests expired. If your trust agreement continues to provide for these interests, you will not qualify for tax-exempt status. |
| Unincorporated association | <p>An "unincorporated association" formed under state law must have at least two members who have signed a written document for a specifically defined purpose.</p> <ul style="list-style-type: none"> • An unincorporated association filing Form 1023 is required to attach a copy of its articles of association, constitution, or other similar organizing document that is dated and includes at least two |

signatures. Signed and dated copies of any amendments should also be included.

- The articles of organization of an unincorporated association must include the name of your organization, your purpose, the date the document was adopted, and the signatures of at least two individuals. If your copy does not contain the proper signatures and date of adoption, you may submit a written declaration that states your copy is a complete and accurate copy of the signed and dated original. Your declaration should clearly indicate the original date of adoption.
- Bylaws may be considered an organizing document only if they are properly structured (includes name, purpose, signatures, and intent to form an organization).

Unusual grants Substantial contributions and bequests from disinterested persons that by their size adversely affect classification as a public charity. They are:

- a. Unusual;
- b. Unexpected; and
- c. Received from an unrelated party.